

Adjusting Your Aim

Targeting Your Presentations to Upper Management

As a front-line IT manager or a network administrator, how often have you been through the following scenario? You see a network problem that needs to be solved, or you see an opportunity to increase profits or productivity by implementing new networking technology. You do research to find the right general solution and then identify the competing products. After choosing the best alternative, you present your plan to upper management. However, the results are not what you expected: Upper management takes a different action than the one you recommended or, even worse, takes no action at all. As a result, the network situation just gets worse, and the opportunity to increase profits is lost.

Many front-line managers and network administrators like you have talked to *NetWare Connection* about this problem at trade shows and networking conferences. Other front-line managers and network administrators have sent us e-mail messages.

Clearly, when upper management disregards your recommendation, something is wrong. Of course, it could be that upper management just doesn't care about improving the IT situation at your company. But that's rare; managers are normally interested in making improvements, especially if the final result increases the company's bottom line profit (or if they think they will get personal credit for the improvement).

So why would upper management disregard your recommendation? The problem may have been your presentation.

Selling new technology to upper management isn't easy. Your manager may have different concerns than you have. For example, if you are recommending that your company upgrade its network, your manager may not understand how the upgrade will benefit the company in the long run. Your manager may see only the cost and effort required up front. Before agreeing to any software or hardware purchase, your manager needs to understand how the purchase will make his life easier, as a manager, and how it will solve his problems and address his concerns.

How can you ensure your presentations hit the mark and take into account your manager's problems and concerns? You can use an existing, proven method for selling an idea. This method has been around in the sales world forever. Every company makes its own slight modifications to it, but the core steps and ideas are the same. Since *NetWare Connection* is obviously familiar with Novell, this article focuses on Novell's implementation of this method, which is called *Novell's Solution Selling process*.



Chances are that sooner or later you will need to use a sales method, such as Novell's Solution Selling process, in your job. By reviewing the steps in this sales method, you will be ready to use these steps in your next presentation.

SEE THE TARGET

If you are a front-line IT manager or a network administrator for a large company, your manager is probably the Chief Information (or Intelligence) Officer (CIO), who is responsible for managing the entire IT department. (This person may have a different title, such as vice president or director, but for consistency's sake, we'll refer to him as the CIO. And for clarity and convenience, we'll use the masculine pronoun when referring to the CIO, although this person may obviously be male or female.) The CIO then reports to the company's Chief Financial Officer (CFO) or Chief Executive Officer (CEO).

Over the past several years, Novell has conducted a lot of research about CIOs and senior IT managers. This research may help you better understand your company's CIO. According to Kathleen Chattin, manager of Marketing Research at Novell, CIOs have a variety of business backgrounds. Your company's CIO may have risen through the IT ranks, but he's just as likely to have a background in finance or production.

As a result, your company's CIO may know a great deal about network management and the issues you deal with, or he may know very little about them. As Chattin explains, however, "the most important thing to remember about [the CIO] is that he is a manager before he's a technologist or strategist."

Understanding that your company's CIO is first and foremost a manager will help you focus your presentation. For example, if you want to upgrade your company's network to NetWare 5, you must demonstrate how NetWare 5 will solve the CIO's problems.



NOVELL'S SOLUTION SELLING PROCESS

Novell's Solution Selling process has 10 simple steps. In fact, some steps are so obvious you may be tempted to skip them, but you shouldn't. These obvious, intuitive steps are the backbone of Novell's Solution Selling process. The 10 steps are listed below:

1. Understand the customer's situation.
2. Define the business problem.
3. Explain why the customer needs to solve the problem now.
4. Measure the cost of the problem.
5. Establish the value of the solution.
6. Present the vision of success.
7. Explain the Novell Solution.
8. Close the sale.
9. Request complementary products to complete the solution.
10. Lay the groundwork for future recommendations.

This article explains each step in more detail. To illustrate how these steps work, this article explains how you would use these steps to convince your company's CIO to upgrade to NetWare 5. However, you can use these steps to persuade your company's CIO to implement any business solution.

UNDERSTAND THE CUSTOMER'S SITUATION

In many ways, the first step is the most important. In your case, the customer is your company's CIO. You must understand the CIO's role in the company, the kind of issues he cares about, and the kind of problems he faces, or you will never make the big sale. For example, does your company's CIO have the authority to approve the solutions you recommend, or must the company's board of directors or CEO approve the solution?

Undoubtedly, your company's CIO has goals for the IT department. You should find out what these goals are. You can then find and present the technology that will help him meet his goals.

To convince your company's CIO, you must talk about his issues and use his terminology for those issues. For example, what issues does the CIO want to solve for his boss? Until you understand the situation and the problems your company's CIO faces, you will not be able to find solutions that will solve his problems, and any technology you recommend will probably not have an impact on him.

In this first step, don't get ahead of yourself. You should not be considering specific solutions (especially brand names) or deciding how to implement these solutions. You are simply investigating what your company's CIO is concerned about (from his point of view as a manager).

Keep in mind that the CIO manages the technology department, not the technology itself. These are two different things, and consequently, they present different business challenges. For example, you may be worried about the bandwidth needed to keep the company's intranet running at a reasonable speed. Your company's CIO, on the other hand, may be concerned because the latest versions of the company policy papers are not yet posted on the intranet.

Figuring out what the CIO's business problems are and which problems are the hottest won't be easy. Fortunately, Novell has already done most of the work for you. Novell's Marketing group has conducted extensive research, which shows that CIOs are universally concerned with four issues: staffing, management expectations, user demands, and pace of change.

Staffing

According to Chattin, staffing is almost always the first issue CIOs mention. CIOs want to know how they can attract and keep qualified employees to manage the network, run the web site, manage databases, and handle all of the other "in-the-trenches" work. Even qualified employees have to be trained to manage the company's proprietary software. And after employees have been trained (and are therefore more qualified and more employable), they get hired away by other companies.

CIOs are also concerned about maximizing productivity—that is, ensuring that employees are working in the most productive (and profitable) way. For example, is there a better and more cost-effective way to troubleshoot problems at a branch office? How can a company use fewer employees to manage a network?

Management Expectations

The second most common issue CIOs mention is management expectations—that is, expectations of the CFO or CEO. Because CFOs and CEOs typically do not have a technical background, they do not understand the pressures facing the IT de-

partment. For example, one CIO told Chattin that his company's CEO read an article about videoconferencing in an in-flight magazine. The CEO wrote "Why can't we do this?" on the article and handed it to the CIO.

As the CIO explained to Chattin, the CEO didn't know or care how much work, equipment, or budget was needed to implement videoconferencing. He simply expected the CIO to ensure that the people and equipment were in place and the work was done.

User Demands

Another issue CIOs deal with on a daily basis is user demands. As one CIO complained to Chattin, "The last thing I want is one of these users messing up their network setup, because, inevitably, they ruin it. They make life harder for me, and impossible for themselves."

Another CIO explained that user demands make the network more complicated: "Manufacturing is using DEC, Accounting has an AS400, Quality Control has NT, Marketing is using Apple—and they all have to share access to applications and databases."

Of course, users sometimes escalate their complaints or requests to the CEO. In this case, the CEO not only hands the problem back to the CIO but also wants to know why the IT department did not solve the problem earlier.

Pace of Change

The last, and often the most vexing, issue CIOs face is managing the pace of change. As you are well aware, technology is constantly changing, and the pace of change seems to be accelerating. Most CIOs are frustrated by the effort required to keep up. As one CIO explained to Chattin, his company installed a new system, and just as people were getting comfortable with the new system, the manufacturer started pressuring them to install a new version of the system.

DEFINE THE BUSINESS PROBLEM

Now that you understand your company's CIO a little better, the next step is to focus on one or two specific problems he's facing right now. These problems may be common knowledge in the company, or you may need to research what these problems are. For example, to be competitive, your company may need to sell products or services over the web. The CEO

and the vice president of Marketing may want a full-blown e-commerce solution complete with shopping cart, animated GIFs, and videostream.

Your company may also need to improve productivity. For example, each employee may spend, on average, 30 minutes a day (which adds up to 2 1/2 hours per week) waiting for documents to be printed. In a company with 100 employees, 250 working hours are wasted every week.

Of course, time spent waiting for print jobs is only one example of lost productivity due to IT or network issues. You can easily find others.

EXPLAIN WHY THE CUSTOMER NEEDS TO SOLVE THE PROBLEM NOW

The problems you identify may have been around for a long time. Your company's CIO probably has partial solutions and workarounds, or he may just be living with the aggravation. You must identify a reason for fixing these problems now.

The reason may be obvious: Your company's main competitor may be setting up business on the Internet, and if your company doesn't also offer its products online, it will lose customers and profits.

The reason may be more subtle, however: Perhaps your company's intranet is struggling under too great a load. Web servers may be crashing, or file servers may be running out of disk space. Your company may need a more efficient network and better caching. Although the problem isn't critical yet, you can show that it soon will be. Solving the problem before it becomes an IT disaster should be a priority.

Remember, your company's CIO will probably not approve a product purchase, such as an upgrade to NetWare 5, if you justify the purchase by listing the product's technological advantages. You must show that the product will solve specific problems for the company. Fortunately, those problems aren't hard to find. Convincing your boss of the urgency of solving them may be a little trickier. That's where the next three steps come in.

MEASURE THE COST OF THE PROBLEM

Before approving a hardware or software purchase, your company's CIO needs to understand just how much the current situation is costing the company. For example, if the company's web server crashes or encounters an incompatible protocol,

the company loses business on its e-commerce site. How much will this lost business cost the company? If the company's web site or network is not adequately protected, what is the potential cost of damage from a virus or a hacker?

If employees are waiting for jobs to be printed, you can easily determine the cost to the company. Most companies know the average hourly cost of an employee. For example, suppose a company has 2,500 employees, and these employees work 48 weeks per year, 40 hours per week, and have an average hourly cost of U.S. \$35. If each employee spends 30 minutes each day waiting for print jobs, this company could lose U.S. \$10,500,000 in employee productivity per year. You can use the following formula to calculate the costs:

number of employees affected multiplied by the number of minutes wasted, divided by 60 (to convert minutes to hours), multiplied by 5 (days per week), multiplied by average hourly cost, multiplied by number of annual work weeks

$$(2,500 \times 30 \div 60) (5) (35) (48) = \$10,500,000$$

If at all possible, the actual cost of the problem should come from your company's CIO, rather than from you. If you give your company's CIO the numbers, he may not be convinced that the numbers are accurate. If he gives you the numbers, however, you stand a much better chance of persuading him to approve your recommendation.

You should not ask the CIO to produce these numbers on the spot. You may be able to get the numbers from the company's financial reports, newsletters, and memos. You may even be able to request the numbers from another person on the CIO's staff. Remember that the CIO must believe the numbers, so you should get them from a source he trusts.

ESTABLISH THE VALUE OF THE SOLUTION

After you have shown the cost of the company's business problem, you can show the CIO how much the company can save by solving the problem. This step of the selling process is probably the most frequently skipped, but in many ways, this step is the key to the entire

process. Until now, you've been focusing on the negatives of the CIO's situation. Now, for the first time, you can show him a positive. You can now conjecture how nice life would be if one of his problems were solved.

Don't mention any brand names at this point. All you are doing here is saying, "What if we could fix this situation? What would be the result?"

It's important in this step of the process to again use numbers from a reliable, preferably independent, source. Based on the cost of the problem you've established above, you and the CIO together can figure out the dollar value produced by solving the business problem you've focused his attention on.

For example, suppose you could cut the time employees spend waiting for print jobs in half by using a better print-queuing protocol. What could the company's employees do with that extra fifteen minutes each day? The sales employees could make one additional phone call per day. Marketing employees could improve their presentations. Accounts Receivable employees could process a few more invoices. Individually, these changes may seem small, but they add up quickly.

If the problem to be solved is starting business over the Internet, compute how much the company could make by using a good e-commerce system. Perhaps the company has done some market research on this subject already, or there may be a company white paper on the subject.

PRESENT THE VISION OF SUCCESS

In step one, you found out the long-range goals that your company's CIO has. You can now use this information to show how solving the problem you've outlined helps the CIO achieve these goals.

The CIO's goal may be to improve productivity throughout the company by improving the company's intranet. However, the current intranet server crashes under the volume of traffic. Improving server stability and efficiency could be the key to making the intranet a vibrant, vital part of the company's IT structure.

If the CIO's goal is to create a "paperless office" by increasing use of e-mail and video- and virtual-conferencing, you can demonstrate that upgrading the network operating system will simplify network management. As a result, IT employees



Companies Using NetWare 5

Chief Information Officers (CIOs) want to know how other companies are solving their networking problems. The following success stories show how companies are using NetWare 5 to do just that.

WIRELESS ONE

Wireless One, the largest wireless video carrier in the Southeastern United States, has more than 106,000 subscribers. In November 1998, John Cressman, the network communications manager for Wireless One, helped replace his company's Microsoft networking products with NetWare 5. "Wireless One's network includes users across seven states," explains Cressman, "and our NT servers and applications weren't scaling well enough to handle our demands. . . . Our system would go down because the Microsoft Exchange server couldn't handle our 300 users. A technician had to come in every morning at 6 a.m. to restart the server so people could get their messages and conduct business."

Wireless One has realized significant benefits through NetWare 5. "NT demanded outrageous hardware requirements," says Cressman. Prior to installing NetWare 5, Wireless One's network consisted of eight Windows NT servers: four dedicated to file and print services, and one each for web, SQL, Domain Naming System (DNS), and mail services. The IT team replaced the eight Windows NT servers with three NetWare 5 servers and rolled out a pure IP network. With fewer servers to maintain, the company has greatly reduced expenditures.

Cressman also reports that help desk calls have dropped 75 percent since the company installed NetWare 5. To reduce calls even more, the company is installing ZENworks, which provides remote desktop management and administration.

CHICAGO MERCANTILE EXCHANGE

Chicago Mercantile Exchange (the Merc) is an international marketplace where buyers and sellers trade futures in agricultural commodities, foreign currencies, interest rates, and stock indexes. Reliability is crucial for the Merc. "If something goes down, somebody instantly starts losing money," Jim Breit, the Merc's senior enterprise network engineer, explains. For this reason, the Merc is upgrading its network to NetWare 5 and is installing other products from Novell.

NetWare 5 will provide high-performance networking in a native IP environment. Breit has nothing but praise for Novell's famous reliability: "We wanted to stick with a product we knew could get the job done," Breit says. "Sometimes it seems like a Windows NT server gets tired of working, and you have to go restart the thing. But that's never happened with [NetWare]. It's a lot more stable."

NetWare's improved manageability was also a strong selling point for the Merc. Breit explains that "What we've found is that doing management tasks on [NetWare] is a lot simpler than NT. . . . Especially with NetWare 5 and ZENworks, it tracks so much user and workstation information, and it does software metering and hardware inventory. Everything is right there . . . so you don't have to open multiple programs to do simple management tasks."

MORE SUCCESS STORIES

Other customer success stories are available on Novell's web site at <http://www.novell.com/solutions/cio> and <http://www.novell.com/corp/ciofocus>. The success stories at <http://www.novell.com/showcase> may also be especially useful. These stories are organized by industry, making it easier to find the stories that directly relate to your company and its networking problems. ●

will have free time to implement new technology.

It could be that solving your CIO's biggest problem is the greatest vision of success he has. For example, if your CIO's goal is to stop users' complaints about slow download/upload times, long waits for the printer, or the inability to log in to the network at peak use times, you should be able to persuade your company's CIO that change is needed and that you have the solution. If security is an issue, assurances of increased protection against hackers from both inside and outside the company may be enough. If downtime is an issue, you may be able to easily sell an upgrade that promises a robust, stable network operating system.

EXPLAIN THE NOVELL SOLUTION

You've studied the situation carefully: You know what the problem is from the CIO's perspective, and you know what needs to be done to solve that problem. Furthermore, you know the product that will provide the best solution, and now is

the time to name that product. For example, if you want to upgrade your company's network, you're ready to mention NetWare 5.

Since the CIO is probably not as familiar with NetWare 5 as you are, you may get some resistance. To overcome this resistance, you can let your CIO know what analysts are saying about Novell.

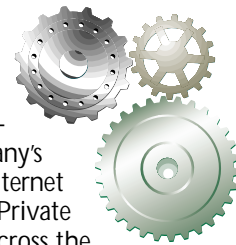
There is little doubt these days that Novell is here for the long haul. *Barron's* did a cover story on the company's comeback on March 8, 1999, and analysts are bullish on the company: Zacks Investment Research and Multex ACE both give Novell's stock a buy or strong buy recommendation. The Hurwitz Group reports, "We believe that Novell has made a solid comeback. . . . Current Novell customers can rest assured the company is on track to prosper." (You can read and download the Hurwitz Group report at <http://www.novell.com/whatsnew/inthenews/reports/hurwitz1.html>.)

Industry analysts also believe that Novell Directory Services (NDS) and

NetWare 5 can help companies manage their diverse networks. The Aberdeen Group reports, "Any enterprise executive wanting to harness the power of the 'net—Inter-, Intra-, Virtual or Private—for competitive advantage cannot do so without a powerful directory. . . . NDS is the most powerful directory available today." (To read or download the Aberdeen Group report, visit <http://www.novell.com/netware5/resources.html>.)

Don't get too technical here; your company's CIO probably doesn't have the time or interest to understand exactly how NDS works. Focus on the benefits rather than on the technical attributes of NetWare 5. For example, you can explain that NetWare 5 and NDS for NT enable you to manage the entire network—including Windows NT servers—from a central location.

You should mention only those features that directly relate to the specific problems that you're talking about solving. For example, if managing a mixed network and ensuring security from Internet hackers are



the CIO's biggest worries, you don't need to mention pure IP support in NetWare 5.

If your company's CIO asks why you're not recommending Microsoft, you can explain that directory services are at the heart of the solution to the CIO's problem and that Novell pioneered the use of directory services with NDS. Microsoft is trying to emulate NDS with its Active Directory (AD). However, Novell just shipped version 8 of NDS, and Microsoft will probably not release the first version of AD for several months at least. Since all first releases have bugs, it will probably be years before AD runs smoothly. Then ask the CIO if he wants to wait that long for a solution when one is available now.

You should also mention how other companies are using NetWare 5. As Chaitin explains, "The most compelling piece of evidence for [CIOs] is a customer success story. It is more compelling than analysts, than press, than partnerships, than sales, than anything." To find out how NetWare 5 is helping other companies run their businesses, see "Companies Using NetWare 5" on p. 26.

CLOSE THE SALE

Now is the time to ask for what you want: to upgrade to NetWare 5. If you have carefully followed the steps outlined in this article, you have already anticipated and answered most of the CIO's objections to upgrading. You've shown that you understand his problems and how much these problems are costing the IT department and the company as a whole. Furthermore, you have demonstrated that NetWare 5 is the right tool to solve those problems. You've also shown that you know how to make the department easier to run and more cost-effective.

Although you have tried to cover all of your bases, you're still likely to encounter a few objections. The following are a few of the most common objections made and some tips on how to overcome them:

- Return on Investment (ROI). The CIO may want to know the ROI of implementing your recommendation. Since you have already calculated all the relative costs, you can use simple arithmetic to show a basic ROI.
- The Competition. The CIO may have specific questions about NetWare 5 and how it compares with other competing products. How does Microsoft's AD compare with NDS? Won't Windows

2000 fix all the problems with Windows NT? Often, when your CIO brings up competitive products, what he's really saying is, "I like Novell, but I need to justify this purchase to my management and to my colleagues."

If your company's CIO has questions about competing products, you can find the latest industry reports at <http://www.novell.com/advantage>. And don't forget the other great advantage Novell has: NetWare 5 is available now, so you can solve urgent problems immediately.

- Previous Objections. Your company's CIO may bring up previous objections to switching your company's network to NetWare 5. To avoid surprises, you may want to do a little research to see if the CIO has already rejected a proposal to upgrade the network operating system or to use other Novell networking software. It is much easier to overcome objections if you know in advance what those objections might be.

REQUEST COMPLEMENTARY PRODUCTS

Since you have an audience with the CIO, you can also mention other networking tools that will solve your company's business problems. Again, you want to focus on solutions to specific problems the CIO has. For example, if your division frequently sends network administrators all over the world as part of managing a WAN, you might find that you can solve even more problems with the complete ZENworks product. (The ZENworks Starter Pack is included with NetWare 5.)

ZENworks's application management features ensure that companies can quickly and easily adapt to changes in personnel or in their need for software tools. (This solution addresses your CIO's problems with staffing and user demands.) By automating the distribution and customization of software, ZENworks reduces administrative costs and eliminates the need to make multiple visits to each workstation.

Is Internet and intranet use (and overuse) a big problem? BorderManager Enterprise Edition 3.5 is a suite of network services that can improve network performance and security at borders between networks. BorderManager Enterprise Edition 3.5 enables you to do the following:

- Control and accelerate access to intranets
- Control and accelerate access to

the Internet

- Provide remote access to your company's intranet and the Internet
- Establish a Virtual Private Network (VPN) across the Internet
- Accelerate access to web sites

LAY THE GROUNDWORK FOR FUTURE RECOMMENDATIONS

If you've followed this process carefully, chances are your company's CIO has agreed with almost everything you've proposed. At this point, there's a strong tendency to take your victory and run. However, it's important to at least drop a hint or two about future developments in the company and the demands those developments will place on the IT department.

No one solution will solve all of the CIO's problems, although you've made a big step toward improving his life already. However, your IT department faces other challenges, and to overcome those challenges, you may require other tools.

Explain to the CIO that because he has approved your recommendation, your IT department will now have the resources to focus on other projects that are important to his vision of your company's future. Don't mention any vendors or products here. The goal is to reassure the CIO that the investment he's agreed to make is going to pay off where it counts: It's going to help him achieve his goals and vision.

CONCLUSION

If you're like most network administrators, you aren't comfortable with the selling process. There's a good reason why some people are in sales and some are in IT. Unfortunately, selling something, whether it's ideas or products, is an essential part of most jobs, even if it's not in the job description.

When you make a presentation to your company's CIO, that presentation needs to be focused on his needs and problems. Keep in mind his four issues—staffing, management expectations, user demands, and the pace of change—and his goals for the future. Then you can tailor your presentation to show how you can solve his specific problems and accomplish his goals. Of course, it doesn't hurt that the technology you are recommending will make your life easier as well.

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